

FEASIBILITY STUDY – FACTSHEET

Feasibility Study	FSW-19: Launching the KiWi Point of Sale app in India
Country / Region	India
Partner Financial Institution/s	KiWi India (to be established)
Grantee	KiWi / eBOP SA
Overall Budget	CHF 102'440 (27% self-contribution)
SCBF Contribution	CHF 75'232 (73% SCBF funding share)
Date of Approval	09.09.2019
Duration	09.2019 until 06.2022
Context	<p>India is moving toward the right direction in financial inclusion. From 2011 to 2018, the percentage of adults with a bank account jumped from 40% to 80%. The number of payment cards grew 500% during the last 10 years, reaching now 77 cards for 100 habitants. However, usage is very low due to the lack of point of sales terminals in the country (121 per 100'000 habitants, one of the lowest rates in the world). The World Bank estimates a credit demand-supply gap of \$380 billion in India alone, where at least 40% of the lending industry is still informal. Employment is mainly driven by the 65 million MSMEs in the country, both in absolute terms and growth.</p> <p>KiWi is a Swiss startup providing fintech solutions to micro and small businesses in emerging markets. The core product is a card payment acceptance solution. With their KiWi mobile app, paired to a card reader, users can accept debit cards, credit cards and mobile wallet payments from their customers. This payments feature gives KiWi valuable data and control over users cash flows, which is then used to offer other services, in particular an innovative micro-credit product pre-approved and accessible directly from the app.</p> <p>KiWi is meant as a platform and offers other services too. For example, users can sell airtime top-ups to their customers against a fee; and they also can use KiWi as a cash register to track their incomes, list their products, send tickets to their customers. On top of payments and loans, KiWi is also seen by the financial ecosystem as a tool to boost usage of bank accounts, both for merchants and cardholders.</p>
Current Status of the MFI	KiWi is live in Mexico since 2015, with now 25 employees in Mexico and five in Switzerland (IT). As of today, one million transactions have been processed through KiWi, for a value of \$US 40M. So far, KiWi registered 20K paying users (bought at least one card reader). In July, KiWi enrolled 1'500 new businesses, and processed 60K transactions.
Objective and Main Activities	<p>This study will cover all aspects related to opening KiWi in India, including regulation, IT, human resources, competition, market demand, potential partnerships. It will start with desk research work, to maximize the outputs of a following phase of onsite work.</p> <p>Based on the findings of the feasibility study, the financial institution should be in a position to assess the feasibility of launching KiWi in India, moving from a “single country” operation (Mexico, live today) to a multiple country operation.</p>
Next Steps	Once the feasibility study is over, KiWi's management will submit conclusions to the board for a decision on whether to launch KiWi in India.